

**VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM
VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
VERMONT STATE TEACHERS' RETIREMENT SYSTEM**

JOINT Meeting of the Boards
August 17, 2004

VSERS Members present:

ROBERT HOOPER, VSEA member (term expiring September 2004)
JEB SPAULDING, Vice-Chairperson, VT State Treasurer
CINDY LAWARE, Commissioner of Personnel
DICK JOHANNESSEN, Governor's Delegate - **via conference call**
CATHERINE SIMPSON, VSEA Alternate (term expires

VSERS Member(s) absent:

WARREN WHITNEY, Chairperson, VSEA member (term expiring September, 2004)
WILLIAM HARKNESS, VSEA member (term expiring September 2005)
ROB HOFMANN, Commissioner of Finance & Management
GORDON MACARTHUR, Retired Vermont State Employees' Association

VMERS Members present:

STEVEN JEFFREY, Chairperson, Employee Representative (term expiring July 1, 2007)
DAVID LEWIS, Employer Representative (term expiring July 1, 2006)
W. JOHN MITCHELL, II, Vice-Chairperson, Employee Representative (term expiring July 1, 2005)
MARIE DUQUETTE, Governor's delegate
JEB SPAULDING, Vermont State Treasurer

VSTRS Members present:

JOSEPH MACKEY, Chairperson (Active No. 29334), term expiring July 1, 2005
JON HARRIS, Vice-Chairperson (Active No. 25669), term expiring July 1, 2007
JAY KAPLAN, Association of Retired Teachers of Vermont, term expiring July 1, 2008
THOMAS CANDON, representing Commissioner of BISHCA
VAUGHN ALTEMUS, representing Commissioner of Education
JEB SPAULDING, VT State Treasurer

Also attending:

Donna Holden, Board Coordinator
David Minot, Director of Finance and Investments
Ellen Griggs, Kevin Kondry, Dick Charlton, New England Pension Consultants
William Griffin, Chief Assistant Attorney General
June Atwood, Association of Retired Teachers of Vermont
Mr. Atwood

ITEM 1: Presentation and Discussion with NEPC

- **Global Environment and Quarterly review**

Mr. Charlton reviewed the current investment environment and the overall quarterly review. He reported the outlook to be "subdued" and a very uncertain environment.

- **Large Cap Domestic Investments: Investment Alternatives**

Ms. Griggs, Mr. Kondry, and Mr. Charlton reviewed the *Domestic Large Cap Portfolio Review* presentation materials.

In summary, NEPC's recommendation for the Board's consideration was:

Respectfully submitted,

Donna Holden
Board Coordinator